



NEWS RELEASE

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SBA ADMINISTRATOR: NEW DATA SHOW SMALL BUSINESS WILL DRIVE EXPORTS IN 21ST CENTURY

Small Business Exporters Triple; Smallest Firms Show Biggest Growth

WASHINGTON – U.S. Small Business Administrator (SBA) Aida Alvarez released new data today that show small businesses are going global in a big way. Administrator Alvarez also said that the SBA will take the strong advocacy role for America's 24 million small businesses at the upcoming World Trade Organization (WTO) summit in Seattle.

“The number of small businesses that export has tripled in the last decade,” SBA Administrator Aida Alvarez said at a forum for small businesses in Rockville, Maryland. The event was part of the President's 'National Dialogue On Trade' Day. **“The biggest growth was seen in the smallest companies that employ fewer than 20 people. Small businesses now account for almost a third of all U.S. export sales.”**

The Administrator released new statistics from a joint SBA-Commerce Department study that show:

- Nearly 97 percent of U.S. firms that export are small businesses.
- Small businesses account for nearly 31 percent of total U.S. export sales.
- The number of small firms that export has tripled over the last decade, rising from 69,354 in 1987 to 209,455 in 1997.
- In the past five years, the value of small business exports has increased 300 percent.
- Small firms' share of U.S. exports has risen steadily, from over 26 percent in 1987, to just under 31 percent in 1997.
- Very small companies – those with fewer than 20 employees – made up 65 percent of all U.S. exporting firms in 1997. This is up significantly from 1992, when the smallest firms represented 59 percent of exporters.
- Non-manufacturing companies dominate exporting by small firms. In 1997, they accounted for 69 percent of all small exporters and generated 69 percent of exports.
- Emerging markets are of growing importance to small business exporters. For example, small business exporters were responsible for 38 percent of total U.S. goods exported to China and Hong Kong in 1997.

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President Clinton and Administrator Alvarez will join WTO member trade ministers from 134 countries in Seattle (November 30 – December 3) to launch a new round of multilateral negotiations and set the international trade agenda for the next decade.

“While the small business sector is the most significant area of growth potential for exports, it is also very vulnerable to trade barriers,” Administrator Alvarez said. The SBA is required to aggressively advance the interests of U.S. small business in international trade under the Small Business Export Promotion Act of 1980.

“Small businesses help create more vibrant and prosperous communities here and abroad,” said Administrator Alvarez. **“The small business community of the 21st century will be more diverse, technologically-capable, and global in scope. Our economic success in the new millennium very much depends on small business fully participating in a dynamic international trade arena.”**

The SBA provides a variety of resources for small businesses looking to expand their business through exporting. For more information, visit SBA’s web site at <http://www.sba.gov/oit/export/>.

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